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1989 BASEBALL SALARIES SHOW ARBITRATION'S A WINNER, FREE-AGENCY A LOSER, SAYS UNIVERSITY OF DAYTON ECONOMETRICIAN

The use of arbitration to negotiate bigger contracts should be eliminated, and all major league baseball players should be eligible for free agency after three years of service, says Lawrence Hadley, an associate professor of economics and finance at the University of Dayton who has run major league salaries through his computer for the second straight year to determine pay scales.

Hadley will present his findings Nov. 7 to the International Conference on Sports Business at the University of South Carolina in Columbia, S.C. He and fellow associate professor of economics and finance Elizabeth Gustafson analyzed the performance of 349 hitters and 247 pitchers through the 1988 season in making their determinations. New variables that were introduced in this study include a "star" identification for exceptional players and the average home attendance for each player. The findings?

The Cardinals' Ozzie Smith is still overpaid by close to \$1 million, power hitters like the A's Jose Canseco are paid less than contact hitters like George Brett of Kansas City, and for pitchers, 20-game winners like Oakland's Dave Stewart make at least \$300,000 less than power pitchers and "closers" in the bullpen.

Hadley's next project is a study of Hall of Fame greats like Babe Ruth and Joe DiMaggio—he plans to apply a 1989 pay scale to a "peak" year of their careers and compare those salaries to some present-day major leaguers.

For media interviews, contact Lawrence Hadley at (513) 229-2403 or 298-8292.

CORPORATE CULTURE DETERMINED BY BUSINESS LEADERS, SAYS UNIVERSITY OF DAYTON MANAGEMENT PROFESSOR

When Lee Iacocca took over the financially troubled Chrysler Corporation several years ago, he sent a message to employees that some lean years were in store for the company by giving himself a \$1 annual salary. Because of Iacocca's example, the "corporate culture" of Chrysler was better able to adapt to change, said Kumar Chittipeddi, an assistant professor of management at the University of Dayton who has conducted numerous sessions for area businesses and universities on leadership and culture.

Textbooks describe corporate culture as a company's "collection of values," but in practice, Chittipeddi said, corporate culture tends to be much more informal. "IBM, for example, won't lay off executives even if they aren't performing, because it goes against the culture of the organization," said Chittipeddi.

Since corporate culture is so loosely defined, it's difficult to manage or change, especially the longer an institution or leader has been in place, said Chittipeddi.

"Many people say the culture at General Motors can't be changed because CEO Roger Smith has been there too long," said Chittipeddi. "It takes key individuals. They are the ones who must shape the new culture of an organization."

For media interviews, contact Kumar Chittipeddi at (513) 229-3556 or 293-7778.



The University of Dayton

For further information or assistance in scheduling interviews, contact Public Relations and University Communications, 229-3241.